

CHANGE IN OFFICIALS FOR NEWLY CHARTERED AND TROUBLED CREDIT UNIONS

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA") amended the Federal Credit Union Act by adding Section 212. This addition resulted in the adoption of Parts 701.14, 741.8, and 747 Subpart J to the National Credit Union Administration (NCUA) Rules and Regulations. **If your credit union is subject to these regulations, it is important that you read and become familiar with these regulations.**

The regulations require that NCUA approve or disapprove any changes in:

1. Members of the board of directors.
2. Committee members.
3. Senior executive officers.

The regulations also require that you:

1. Provide written notice 30 days prior to a change in the appointment of the above officials or senior executive officers; or
2. Provide written notice within 48 hours following the election resulting in a change of any of the above officials.

Attached is a list of the information you must provide with your notice of change of official (notice). Complete information must be provided on each prospective official or senior executive officer. *Each individual must sign the Credit Report and Background Investigation Authorization form and attest to the validity of the information provided (located at the end of the Required Information From Prospective Credit Union Officials form).*

**PLEASE NOTE: INCOMPLETE INFORMATION WILL
RESULT IN DELAY OF APPROVAL OF YOUR APPLICATION.**

Address the notice to:

Regional Director
2300 Clayton Road, Suite 1350
Concord, CA 94520

A federally-insured, state-chartered credit union must also file the notice with its state supervisory authority.

If possible, in order to speed the process, please provide a **copy** of your notice (with attachments) to your examiner.

REQUIRED INFORMATION FROM PROSPECTIVE CREDIT UNION OFFICIALS

Name

Prospective credit union position

1. **Please provide the following:**

- A completed and signed credit report and background investigation authorization (form attached).
- Evidence of bondability (a form is enclosed for requesting this information from CUMIS, but evidence from other sources is permissible).
- Attestation to the validity of the information provided (located at the end of this form).

2. **Please complete the following:** Feel free to answer any questions through reference to attached information (such as a resume) but *please, be sure that all required information is provided. If the answer is none, please state none in the applicable space.*

- List your educational background.
- List your employment history (include present and previous employment, and any self employment, during the past 5 years).
- List your business history (include material business activities and affiliations during the past 5 years and any professional licenses and certificates).
- List all other financial institutions where you are an official, employee, director, or committee member (include credit unions, commercial banks, savings banks, trust companies, finance companies and savings and loan associations).

**(WARNING: INCOMPLETE INFORMATION WILL RESULT IN DELAY OF
APPROVAL OF YOUR REQUEST)**

3. **Please answer the following questions:**

- | | Yes | No |
|---|-----|-----|
| • Has a claim pertaining to a fidelity bond ever been filed against you? | ___ | ___ |
| • Have you ever been denied coverage under a fidelity bond? | ___ | ___ |
| • Are there any civil suits pending against you? | ___ | ___ |
| • Are there any legal or administrative proceedings pending against you? | ___ | ___ |
| • Have you ever had a criminal referral filed against you by either a federal or state regulatory agency? | ___ | ___ |
| • Have you ever been indicted or convicted of a crime by either a federal or state court? | ___ | ___ |

If you have answered yes to any of the above questions, please provide an explanation and attach copies of any documents available to you regarding the matter(s) in question. (If necessary, use the back of this sheet or attach additional pages.)

4. **Please read the following attestation, sign, and date it:**

I certify that the information provided for consideration of my request to serve in the

☐ _____ Credit Union is accurate, complete and correct.

☐ _____
Signature Date

**(WARNING: INCOMPLETE INFORMATION WILL RESULT IN DELAY OF
APPROVAL OF YOUR REQUEST)**

CREDIT REPORT AND BACKGROUND INVESTIGATION AUTHORIZATION

The National Credit Union Administration (NCUA) may evaluate the competence, experience, character, and integrity of any individual who is to serve as an official, employee, or committee member of a federally insured credit union, in accordance with §1790a of the Federal Credit Union Act and Chapter 1, §VII.B.3 of the NCUA Chartering and Field of Membership Manual (IRPS 94-1, as amended by IRPS 96-1).

NCUA may disapprove any individual whose employment it believes will not be in the best interest of the credit union or of the public. To assist in the evaluation process, NCUA may obtain and review an individual's credit report and background investigation.

Your signature on this document authorizes NCUA to obtain a copy of your credit report and conduct a background investigation.

- ☐ _____
Last Name First Name Middle Name Mr./Ms.
- ☐ _____
Street Address City State ZIP
- ☐ _____
Date of Birth
- ☐ _____
Place of Birth
- ☐ _____
Social Security Number

In accordance with the above, I authorize NCUA to order a credit check and conduct a background investigation for the purpose of processing the application for my participation with the

- ☐ _____ Credit Union.

- ☐ _____
Signature
- ☐ _____
Date

**ATTENTION
BONDABILITY REQUEST
UPDATE**

In an effort to make the bondability requests forms easier for you to complete and improve our response time, we have revised our form.

We will need to know if you want your response returned by Fax or by mail. Please mark which you prefer and include either your Fax number or your complete address including the person it should be addressed to.

There will be no need for you to use a cover sheet when faxing.

CUMIS does not keep a copy of your request so we suggest you keep your copy as your Regulator may request this information during your next examination.

As our supply is limited, we ask that you fill in the top box and make copies of the attached form for your future use.

Some credit unions have expressed concern regarding negative responses being faxed back to them because of confidentiality. If there is a negative response regarding an individual, we will always call the contact person.

CUMIS

BONDABILITY REQUEST

Our verification consists only of a review of our files; it is a supplement to your normal background checks. If you become aware of any dishonest acts on the part of an employee or have any questions, please contact us at (800) 937-2644 Ext. 3263 or 7124.

PLEASE COMPLETE ALL SECTIONS

CONTRACT NUMBER:

CREDIT UNION:

CREDIT UNION CONTACT PERSON:

MAILING ADDRESS:

CITY:

STATE:

ZIP CODE:

CREDIT UNION PHONE: ()

PLEASE MAIL REPLY: _____

-OR-

PLEASE FAX REPLY _____ FAX # () _____

CREDIT UNION SENDING _____ PAGES

DATE:

MAIL OR FAX TO: CUMIS Insurance Society
Bondability Dept. T8-2
P. O. Box 1084
Madison, WI 53701 - 1084

Kathy Huffman
Bondability Assistant
FAX #608/238-7170

PLEASE VERIFY BONDABILITY ON THE FOLLOWING:

"PRINT" NAME (FIRST, MIDDLE, LAST)

SOCIAL SECURITY #

CUMIS USE ONLY:

CUMIS REPLY: ALL INDIVIDUALS LISTED _____ BONDABLE BY _____

WE ARE SENDING _____ PAGES

DATE: _____

YOU MAY WANT TO KEEP OUR REPLY; REGULATORS OFTEN REQUEST THIS INFORMATION AND WE DO NOT KEEP A COPY IN OUR FILES.